Sick Fertilizer Units in Public Sector

388. SHRI SATISH PRADHAN: Will the PRIME MINISTER be pleased to state:

(a) what are the details of fertilizer units in public sector which are *chronically sick with no chance of revival*;

(b) whether Government intend to sell these units to private parties or hand them over to labour co-operatives;

(c) the details of decision taken in respect of each such unit to minimise the problem of ever increasing losses;

(d) the details of new fertilizer units proposed to be set up during the 8th Five Year Plan with locations and outlays along with expansion proposals of operating units; and

(e) the present quantity and value of imports of fertilizers and steps proposed to achieve self sufficiency?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) to (c) Hindustan Fertilizer Corporation Limited (HFC), Fertilizer Corporation of India Limited (FCI) and Projects & Development India Limited (PDIL) have been declared sick by the Board for Industrial and Financial Reconstruction (BIFR). BIFR has asked the Government to come up with viable rehabilitation packages in respet of these companies by 31st March, 1993. No decision has so far been taken to sell any of the units of these companies to private parties or hand them over to labour co-operatives.

(d) The information is given in the statement (*see below*)

(e) The quantity and the value of fertilizers imported during 1992-93 (upto Jan., 1993) on Government of India account is given below:

Product	Quantity (in lakh tonnes)	Value (c&f in Rs. crores)
MOP	17.61	659.85
DAP*	14.51	718.39
Urea	16.73	691.90
NPK	1.30	70.74
SOP	0.05	2.85
Total	30.20	2143.73

*decanalised w.e.f. 17.9.1992

India does not have adequate raw materials for producing phosphatic fertilizers; the indigenous rock phosphate meets only about 5% of the total demand of the phosphatic industry. Therefore, the question of achieving self-sufficiency in the case of phosphatic fertilizers does not arise, except setting up the productions of indigenous rock phosphate to reduce dependence on imports. For Potash, the entire quantity has to be imported as there are no sources of potash in the country. It is only with regard to nitrogen that the plans to set up new fertilizer units/expansion of existing units as given in reply to part (d) would go to reduce dependence on imports substantially.

Statement

New fertilizer units/expansion proposal likely to come up during VIII Five year plan

Name of the Plant	Production		Capacity	Estimated cost (Rs. crores)	location	Status
	Ammonia (tones/day)		Urea (tonnes/day)			
1	2		3	4	5	6
Babrala Fertilizer Project	1350		2250	About 1250.0	Distt. Badaun (U.P.)	Under Implementation
Gadepan Fertiliz-Project	1350		2250	About 1267.0	Gadepan (Rajasthan)	Under implementation

1	2	3	4	5	6
Shahjahanpur	1350	2200	Now established by promoters at about Rs. 284 crores as against estimated cost of Rs. 695 crores as indicated in their letter of Intent	Shahjahanpur (U.P.)	Under implementation
Viajipur Expansion	1350	2200	985.0	Distt. Gauna M.P.	Detailed project report prepared.
Aonla Expansion	1350	2200	991.00	Distt. Bareilly U.P.	Detailed project report prepared.
Small size Fertilizer Plant	450	780	400.00	Andhra Pradesh (Krishna-Godavari Basin	Promoter to be iadentified

Compensatory support for Phosphate fertilizer industry

389. SHRI SUNDER SINGH BHANDARI: Will the PRIME MINISTER be pleased to state:

(a) whether Government are considering suitable compensatory support for phosphatic fertilizer industry to offset the impact of full convertibility of rupee on trade accounts;

(b) whether Government are also considering imposing a suitable import duty on D.A.P. to save the industry against the artificially deflated international price; and

(c) what other steps are being contemplated to reduce import of fertilizers?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) Since the rupee is not yet fully convertible, it would be premature to consider any compensatory support at this stage.

(b) No such decision has been taken so far.

(c) Since import of DAP has been decanalised, it would not be feasible to restrict its import. However, in order to enable the indigenous manufacturers to reduce the cost of production, certain concessions have been granted to the domestic industry, like abolition of customs duty on import of phosphoric acid, availability of foreign exchange for import of raw materials, etc.

Increase in Price of Injections/Syrup

390. SHRI RAJNI RANJAN SAHU: SHRI H. HANUMANTHAPPA:

Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question No. 1968 given in Rajya Sabha on the 14th May, 1992 and state:

(a) what is the basis on which Government have permitted over 100 percent increase and over 300 percent mark up in the case of Betaloc Injection, calcium sandoz syrup, Pethidine Injection, Corbetta tablets and Pondrex etc. during 1991-92;

(b) what is the turn over of each of the Products and what are the names of the companies who have furnished details in Form-2A, products covered and their prices in 1992-93 and what were the prices the these products as intimated to Government; and

(c) what are the details of cases where his Ministry has interfered during 1992-93 and what is the extent of prices reduction made in each case?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) In none of the five